Mineral Revenues to the Public Sector in Colorado

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A sequential slide show on the history of mineral production in the state and the public revenues that have resulted.

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Colorado has a long and significant history of industrial mineral production. In the last decade the majority of production value has been in the mineral fuels: oil, gas and coal.

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	COLORADO MINERAL PRODUCTION						COLORADO MINERAL PRODUCTION			
	PRODUCTION ($B)						PRODUCTION ($B)			
CALENDAR			Non	TOTAL	CALENDAR			Non	TOTAL
YEAR:	OIL&GAS	COAL	Fuels		YEAR:	OIL&GAS	COAL	Fuels	
1950					1980	$0.9	$0.4	$1.3	$2.6
1951	$0.1	$0.0	$0.2	$0.3	1981	$1.4	$0.4	$1.0	$2.7
1952	$0.1	$0.0	$0.2	$0.3	1982	$1.4	$0.4	$0.4	$2.3
1953	$0.1	$0.0	$0.2	$0.3	1983	$1.2	$0.4	$0.3	$1.9
1954	$0.1	$0.0	$0.3	$0.4	1984	$1.3	$0.4	$0.4	$2.1
1955	$0.1	$0.0	$0.3	$0.5	1985	$1.3	$0.4	$0.4	$2.1
1956	$0.2	$0.0	$0.3	$0.5	1986	$0.8	$0.3	$0.4	$1.4
1957	$0.2	$0.0	$0.3	$0.5	1987	$0.8	$0.3	$0.4	$1.5
1958	$0.2	$0.0	$0.3	$0.5	1988	$0.8	$0.3	$0.4	$1.5
1959	$0.1	$0.0	$0.3	$0.5	1989	$0.9	$0.3	$0.5	$1.7
1960	$0.2	$0.0	$0.3	$0.5	1990	$1.1	$0.4	$0.4	$1.9
1961	$0.1	$0.0	$0.3	$0.5	1991	$1.1	$0.3	$0.3	$1.7
1962	$0.1	$0.0	$0.3	$0.5	1992	$1.2	$0.3	$0.4	$1.9
1963	$0.1	$0.0	$0.3	$0.5	1993	$1.3	$0.4	$0.4	$2.2
1964	$0.1	$0.0	$0.3	$0.5	1994	$1.3	$0.5	$0.4	$2.2
1965	$0.1	$0.0	$0.3	$0.5	1995	$1.2	$0.4	$0.7	$2.3
1966	$0.1	$0.0	$0.4	$0.5	1996	$1.4	$0.5	$0.6	$2.5
1967	$0.1	$0.0	$0.3	$0.5	1997	$1.9	$0.5	$0.6	$3.0
1968	$0.1	$0.0	$0.4	$0.5	1998	$1.7	$0.6	$0.7	$2.9
1969	$0.1	$0.0	$0.4	$0.5	1999	$1.9	$0.5	$0.7	$3.1
1970	$0.1	$0.0	$0.4	$0.5	2000	$3.4	$0.5	$0.7	$4.6
1971	$0.1	$0.0	$0.4	$0.5	2001	$3.2	$0.6	$0.6	$4.4
1972	$0.1	$0.0	$0.4	$0.6	2002	$2.9	$0.6	$0.7	$4.3
1973	$0.2	$0.0	$0.5	$0.8	2003	$5.5	$0.7	$0.8	$7.0
1974	$0.3	$0.1	$0.8	$1.1	2004	$7.1	$0.8	$1.1	$8.9
1975	$0.4	$0.1	$1.0	$1.5	2005	$10.1	$0.7	$1.3	$12.0
1976	$0.5	$0.1	$1.1	$1.7					
1977	$0.5	$0.2	$0.6	$1.4					
1978	$0.5	$0.2	$1.4	$2.1					
1979	$0.7	$0.3	$0.8	$1.8					

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Mineral production occurs through the state.
The majority of production value
has been from the Western half of the state.

PERCENT OF VALUE OF MINERAL PRODUCTION by Quad 1990-04				
	NorthWest	NorthEast	SouthEast	SouthWest
	25.8%	27.0%	5.7%	41.6%

Colorado State Map Quadrants

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Counties in each Colorado State Map Quadrant			
SouthWest	**NorthWest**	**NorthEast**	**SouthEast**
Alamosa	**Eagle**	**Adams**	**Lake**
Archuleta	**Garfield**	**Arapahoe**	**Chafee**
Conejos	**Grand**	**Boulder**	**Fremont**
Costilla	**Jackson**	**Cheyene**	**Custer**
Delta	**Mesa**	**Clear Creek**	**Pueblo**
Dolores	**Moffat**	**Denver**	**Huerfano**
Gunnison	**Pitkin**	**Douglas**	**Las Animas**
Hinsdale	**Rio Blanco**	**El Paso**	**Baca**
La Plata	**Routt**	**Elbert**	**Prowers**
Mineral	**Summit**	**Gilpin**	**Bent**
Montezuma		**Jefferson**	**Kiowa**
Montrose		**Kit Carson**	**Otero**
Ouray		**Larimer**	**Crowley**
Rio Grande		**Lincoln**	
Saguache		**Logan**	
San Juan		**Morgan**	
San Miguel		**Park**	
		Philips	
		Sedgwick	
		Teller	
		Washington	
		Weld	
		Yuma	

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In the 1990's the NW has been declining in production value from long term oil and gas fields while the SW has been increasing with new coal bed methane production

Calendar	PERCENT OF VALUE OF MINERAL PRODUCTION by Quad			
Year	NorthWest	NorthEast	SouthEast	SouthWest
1980	40%	25%	30%	5%
1981	41%	29%	24%	6%
1982	46%	32%	13%	9%
1983	53%	32%	5%	11%
1984	43%	31%	12%	13%
1985	36%	28%	13%	23%
1986	34%	27%	14%	26%
1987	38%	28%	11%	22%
1988	38%	28%	12%	22%
1989	37%	27%	11%	25%
1990	42%	32%	8%	19%
1991	39%	32%	7%	22%
1992	40%	35%	5%	20%
1993	35%	35%	4%	26%
1994	34%	32%	4%	30%
1995	33%	34%	5%	28%
1996	32%	32%	3%	33%
1997	29%	29%	2%	40%
1998	29%	27%	3%	41%
1999	28%	25%	3%	43%
2000	22%	27%	5%	46%
2001	24%	26%	5%	45%
2002	26%	27%	5%	42%
2003	24%	27%	6%	44%
2004	27%	28%	6%	40%
2005	29%	28%	6%	37%

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Colorado Mineral Production is an increasing share of total national Mineral Production

	Percent of National Production					Percent of National Production		
Calendar Year	Oil Bbl	Gas Mcf	Coal		Calendar Year	Oil Bbl	Gas Mcf	Coal
1950					1980	0.9%	1.0%	2.3%
1951	0.0%	0.2%	0.7%		1981	1.0%	1.0%	2.4%
1952	0.0%	0.4%	0.7%		1982	1.0%	1.2%	2.2%
1953	0.0%	0.4%	0.7%		1983	0.9%	1.1%	2.1%
1954	2.0%	0.5%	0.7%		1984	0.9%	1.1%	2.0%
1955	2.1%	0.5%	0.7%		1985	0.9%	1.2%	2.0%
1956	2.2%	0.6%	0.7%		1986	0.9%	1.1%	1.7%
1957	2.1%	0.9%	0.7%		1987	1.0%	1.1%	1.6%
1958	2.0%	0.8%	0.7%		1988	1.1%	1.2%	1.7%
1959	1.8%	0.9%	0.8%		1989	1.1%	1.4%	1.8%
1960	1.8%	0.9%	0.8%		1990	1.2%	1.5%	1.9%
1961	1.8%	0.9%	0.9%		1991	1.2%	1.7%	1.8%
1962	1.6%	1.0%	0.8%		1992	1.2%	2.0%	1.9%
1963	1.4%	1.0%	0.8%		1993	1.3%	2.4%	2.3%
1964	1.2%	0.9%	0.9%		1994	1.3%	2.7%	2.5%
1965	1.2%	0.9%	0.9%		1995	1.2%	3.0%	2.5%
1966	1.1%	0.8%	1.0%		1996	1.1%	3.1%	2.3%
1967	1.1%	0.7%	1.0%		1997	1.0%	3.4%	2.5%
1968	1.0%	0.7%	1.0%		1998	1.0%	3.7%	2.7%
1969	0.8%	0.6%	0.9%		1999	0.9%	3.9%	2.7%
1970	0.7%	0.5%	1.0%		2000	0.9%	4.0%	2.7%
1971	0.8%	0.5%	0.9%		2001	0.9%	4.2%	3.0%
1972	0.9%	0.5%	0.9%		2002	1.0%	5.0%	3.2%
1973	1.1%	0.6%	1.0%		2003	1.0%	5.5%	3.3%
1974	1.2%	0.7%	1.1%		2004	1.1%	5.9%	3.7%
1975	1.2%	0.9%	1.3%					
1976	1.3%	1.0%	1.4%					
1977	1.3%	1.0%	1.7%					
1978	1.2%	1.0%	2.1%					
1979	1.0%	1.0%	2.3%					

Oil Production Quantity has declined for the last 5years. Value cycles with the world price.

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	OIL Production and Value					OIL Production and Value		
Calendar			VALUE		Calendar			VALUE
Year	M BBL	$/BBL	$M		Year	M BBL	$/BBL	$M
1950					1980	29.8	$21.59	$643.4
1951	27.8	$2.54	$70.7		1981	30.4	$31.77	$966.1
1952	30.4	$2.55	$77.5		1982	30.8	$28.52	$878.1
1953	36.4	$2.71	$98.7		1983	29.2	$26.19	$764.7
1954	46.2	$2.77	$128.0		1984	29.8	$25.88	$771.1
1955	52.7	$2.75	$144.8		1985	30.6	$25.25	$771.5
1956	58.5	$2.78	$162.7		1986	29.7	$13.79	$409.0
1957	55.0	$3.02	$166.0		1987	29.4	$17.57	$515.9
1958	48.3	$2.99	$144.4		1988	32.8	$14.21	$466.2
1959	46.4	$2.90	$134.7		1989	30.8	$17.95	$553.1
1960	47.5	$2.90	$137.7		1990	30.9	$22.64	$699.3
1961	46.8	$2.88	$134.7		1991	31.5	$19.95	$628.4
1962	42.5	$2.88	$122.3		1992	30.9	$19.32	$597.5
1963	38.3	$2.88	$110.3		1993	31.4	$15.13	$474.4
1964	34.8	$2.88	$100.1		1994	30.9	$15.15	$468.4
1965	33.5	$2.88	$96.5		1995	28.6	$17.19	$491.8
1966	33.5	$2.91	$97.5		1996	25.6	$20.84	$534.0
1967	33.9	$2.92	$99.0		1997	24.4	$18.89	$460.3
1968	31.9	$2.95	$94.2		1998	22.5	$12.65	$284.1
1969	28.3	$3.12	$88.3		1999	19.3	$17.33	$334.8
1970	24.7	$3.18	$78.6		2000	19.1	$28.42	$543.7
1971	27.4	$3.39	$92.9		2001	19.8	$23.73	$468.8
1972	32.0	$3.41	$109.2		2002	20.4	$23.52	$480.1
1973	36.6	$4.25	$155.5		2003	21.4	$28.51	$611.0
1974	37.5	$7.57	$283.9		2004	22.5	$38.78	$873.6
1975	38.1	$9.60	$365.7		2005	22.8	$53.85	$1,228.9
1976	39.0	$9.64	$376.3					
1977	39.5	$9.75	$384.7					
1978	36.8	$9.92	$365.1					
1979	32.3	$13.14	$424.7					

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Most oil production is in the NW and NE quads.

	Oil Production Quantity by State Quad			
	Millions of Barrels per Year			
	NorthEast	NorthWest	SouthEast	SouthWest
1980	10.3	18.8	0.4	0.4
1981	12.7	16.8	0.4	0.4
1982	13.2	16.6	0.5	0.5
1983	11.8	16.4	0.4	0.6
1984	12.8	15.4	0.9	0.7
1985	14.5	13.9	0.9	1.3
1986	14.7	12.8	0.8	1.3
1987	14.2	13.4	0.7	1.0
1988	17.3	13.8	0.6	1.1
1989	15.9	13.5	0.5	1.0
1990	15.3	13.9	0.5	1.1
1991	15.5	14.2	0.6	1.2
1992	15.9	13.2	0.7	1.1
1993	17.5	11.8	0.7	1.4
1994	18.0	10.8	0.7	1.5
1995	15.9	10.2	1.2	1.3
1996	14.2	9.5	0.9	1.0
1997	13.9	9.0	0.7	0.8
1998	12.9	8.3	0.6	0.7
1999	11.2	7.3	0.4	0.4
2000	11.3	7.1	0.4	0.4
2001	11.9	7.0	0.4	0.4
2002	13.0	6.8	0.4	0.3
2003	14.1	6.6	0.3	0.4
2004	15.1	6.8	0.3	0.4
2005	15.2	7.1	0.3	0.3

Gas Production Quantity has grown dramatically for 10 years.
Value cycles with the market price.

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Natural Gas Production and Value					Natural Gas Production and Value			
Calendar			VALUE		Calendar			VALUE
Year	BCF	$/MCF	$M		Year	BCF	$/MCF	$M
1950					1980	189	$1.590	$300
1951	14	$0.043	$0.6		1981	197	$1.980	$390
1952	34	$0.055	$1.9		1982	212	$2.460	$522
1953	29	$0.058	$1.7		1983	173	$2.590	$449
1954	46	$0.087	$4.0		1984	191	$2.660	$508
1955	49	$0.099	$4.9		1985	190	$2.550	$485
1956	54	$0.098	$5.3		1986	175	$2.100	$368
1957	95	$0.100	$9.5		1987	186	$1.680	$313
1958	82	$0.105	$8.7		1988	213	$1.550	$330
1959	100	$0.110	$11.0		1989	235	$1.520	$356
1960	107	$0.119	$12.8		1990	268	$1.549	$416
1961	108	$0.116	$12.5		1991	299	$1.410	$422
1962	128	$0.116	$14.8		1992	355	$1.633	$580
1963	134	$0.117	$15.7		1993	434	$1.997	$867
1964	131	$0.118	$15.5		1994	510	$1.686	$860
1965	133	$0.129	$17.2		1995	555	$1.230	$682
1966	133	$0.130	$17.3		1996	584	$1.561	$912
1967	117	$0.133	$15.5		1997	650	$2.290	$1,489
1968	121	$0.135	$16.4		1998	705	$1.950	$1,374
1969	119	$0.145	$17.2		1999	732	$2.180	$1,596
1970	106	$0.147	$15.6		2000	772	$3.680	$2,840
1971	109	$0.156	$16.9		2001	831	$3.323	$2,762
1972	117	$0.165	$19.3		2002	953	$2.540	$2,422
1973	138	$0.177	$24.3		2003	1,050	$4.665	$4,896
1974	145	$0.200	$28.9		2004	1,105	$5.588	$6,177
1975	172	$0.260	$44.6		2005	1,153	$7.666	$8,842
1976	184	$0.480	$88.3					
1977	189	$0.810	$152.9					
1978	184	$0.840	$154.3					
1979	188	$1.410	$264.4					

Slide 10

Gas production is dominated by the booming SW quad

Calendar	Billions of Cubic Feet per Year			
Year	NorthEast	NorthWest	SouthEast	SouthWest
1980	85	64	11	30
1981	95	61	10	31
1982	105	66	11	29
1983	80	59	8	26
1984	94	59	8	31
1985	103	50	7	31
1986	101	41	5	28
1987	104	44	5	33
1988	117	50	8	37
1989	117	61	8	48
1990	126	72	9	61
1991	137	76	8	78
1992	150	80	8	117
1993	175	86	8	165
1994	185	89	7	229
1995	176	98	9	272
1996	161	104	13	305
1997	161	112	19	358
1998	165	112	28	400
1999	174	108	36	414
2000	184	114	43	431
2001	204	141	51	436
2002	229	180	71	473
2003	245	212	81	511
2004	243	271	85	506

Slide 11

Oil and Gas Prices have swung widely with national market cycles over the last ten years.

	Colorado Gas Price Composite Index $/Mcf	Colorado Oil Price Average Price $/bbl			Colorado Gas Price Composite Index $/Mcf	Colorado Oil Price Average Price $/bbl			Colorado Gas Price Composite Index $/Mcf	Colorado Oil Price Average Price $/bbl			Colorado Gas Price Composite Index $/Mcf	Colorado Oil Price Average Price $/bbl
Dec-94	$1.49	$14.58		Dec-97	$2.18	$16.80		Dec-00	$9.30	$26.43		Dec-03	$5.48	$29.66
Jan-95	$1.15	$16.82		Jan-98	$1.74	$15.17		Jan-01	$6.75	$27.46		Jan-04	$5.42	$31.51
Feb-95	$1.14	$17.52		Feb-98	$2.07	$14.51		Feb-01	$5.12	$27.78		Feb-04	$4.70	$31.88
Mar-95	$1.09	$17.31		Mar-98	$2.10	$13.40		Mar-01	$4.88	$25.30		Mar-04	$4.65	$34.16
Apr-95	$1.19	$18.63		Apr-98	$2.11	$13.79		Apr-01	$4.37	$25.57		Apr-04	$5.34	$34.00
May-95	$1.23	$18.42		May-98	$1.80	$13.02		May-01	$2.98	$26.64		May-04	$6.03	$37.47
Jun-95	$1.08	$17.21		Jun-98	$1.84	$11.60		Jun-01	$2.22	$25.54		Jun-04	$5.74	$35.55
Jul-95	$0.99	$16.01		Jul-98	$1.88	$12.24		Jul-01	$2.43	$24.46		Jul-04	$5.69	$38.11
Aug-95	$1.13	$16.64		Aug-98	$1.66	$11.61		Aug-01	$2.23	$25.17		Aug-04	$4.84	$42.39
Sep-95	$1.20	$16.99		Sep-98	$1.77	$13.18		Sep-01	$1.31	$22.54		Sep-04	$4.75	$43.09
Oct-95	$1.33	$16.15		Oct-98	$2.06	$12.67		Oct-01	$2.79	$19.48		Oct-04	$7.41	$50.51
Nov-95	$1.41	$16.75		Nov-98	$2.11	$11.13		Nov-01	$2.26	$17.54		Nov-04	$6.46	$46.00
Dec-95	$1.41	$17.88		Dec-98	$1.86	$9.46		Dec-01	$2.53	$17.33		Dec-04	$6.03	$40.73
Jan-96	$1.29	$17.68		Jan-99	$1.73	$10.64		Jan-02	$1.85	$17.16		Jan-05	$5.81	$44.20
Feb-96	$1.25	$17.55		Feb-99	$1.60	$10.04		Feb-02	$2.17	$18.24		Feb-05	$5.60	$44.55
Mar-96	$1.16	$19.96		Mar-99	$1.66	$12.86		Mar-02	$3.11	$21.84		Mar-05	$6.66	$52.12
Apr-96	$1.16	$22.14		Apr-99	$2.14	$15.29		Apr-02	$2.54	$23.56		Apr-05	$6.65	$50.73
May-96	$1.19	$19.97		May-99	$2.11	$15.97		May-02	$1.95	$24.41		May-05	$5.77	$47.22
Jun-96	$1.41	$19.23		Jun-99	$2.14	$16.13		Jun-02	$2.04	$23.02		Jun-05	$6.51	$53.87
Jul-96	$1.69	$20.09		Jul-99	$2.35	$18.22		Jul-02	$2.13	$24.41		Jul-05	$6.36	$56.37
Aug-96	$1.44	$20.77		Aug-99	$2.75	$19.32		Aug-02	$1.79	$25.59		Aug-05	$8.48	$62.34
Sep-96	$1.53	$22.69		Sep-99	$2.52	$21.74		Sep-02	$1.87	$27.11		Sep-05	$10.26	$62.74
Oct-96	$2.50	$23.78		Oct-99	$3.03	$20.73		Oct-02	$3.35	$26.30		Oct-05	$11.47	$59.70
Nov-96	$3.76	$22.43		Nov-99	$2.21	$23.02		Nov-02	$3.69	$23.71		Nov-05	$9.08	$55.66
Dec-96	$4.89	$23.83		Dec-99	$2.31	$24.01		Dec-02	$3.99	$26.89		Dec-05	$9.34	$56.64
Jan-97	$2.64	$23.94		Jan-00	$2.51	$25.03		Jan-03	$4.44	$30.20		Jan-06	$7.11	$62.56
Feb-97	$1.52	$20.96		Feb-00	$2.50	$27.52		Feb-03	$5.79	$33.06		Feb-06	$6.51	$59.26
Mar-97	$1.60	$19.76		Mar-00	$2.88	$28.19		Mar-03	$3.68	$30.66		Mar-06	$5.94	$58.99
Apr-97	$1.86	$18.56		Apr-00	$2.89	$23.74		Apr-03	$4.28	$25.70		Apr-06	$6.04	$63.79
May-97	$1.74	$19.49		May-00	$3.99	$27.07		May-03	$5.29	$25.55		May-06	$5.08	$64.00
Jun-97	$1.80	$17.68		Jun-00	$4.55	$30.29		Jun-03	$4.97	$27.91		Jun-06		
Jul-97	$1.78	$18.22		Jul-00	$3.48	$28.11		Jul-03	$4.26	$28.21		Jul-06		
Aug-97	$1.97	$18.33		Aug-00	$3.63	$29.28		Aug-03	$4.68	$29.08		Aug-06		
Sep-97	$2.81	$18.20		Sep-00	$4.65	$31.88		Sep-03	$4.26	$25.79		Sep-06		
Oct-97	$3.25	$19.63		Oct-00	$4.65	$31.00		Oct-03	$4.21	$27.91		Oct-06		
Nov-97	$2.17	$18.59		Nov-00	$6.37	$32.48		Nov-03	$4.64	$28.36		Nov-06		

Carbon Dioxide Production Quantity has been stable for 10 years.
Value cycles with the market price.

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Carbon Dioxide Gas Production and Value					Carbon Dioxide Gas Production and Value			
Calendar			VALUE		Calendar			VALUE
Year	BCF	$/MCF	$M		Year	BCF	$/MCF	$M
1950					1980	3	$0.400	$1.1
1951					1981	3	$1.744	$6.0
1952					1982	4	$1.728	$6.2
1953					1983	22	$1.716	$38.4
1954					1984	85	$1.725	$145.8
1955					1985	196	$2.592	$508.5
1956					1986	274	$1.614	$442.6
1957					1987	272	$1.415	$384.8
1958					1988	278	$1.327	$368.9
1959					1989	287	$1.687	$484.0
1960	0	$0.128	$0.0		1990	277	$0.922	$255.7
1961	0	$0.113	$0.0		1991	279	$0.963	$268.6
1962	0	$0.101	$0.0		1992	294	$0.836	$246.1
1963	0	$0.169	$0.0		1993	269	$0.758	$204.3
1964	0	$0.170	$0.0		1994	307	$0.740	$227.5
1965	0	$0.167	$0.0		1995	299	$0.659	$196.9
1966	0	$0.170	$0.0		1996	327	$0.638	$208.7
1967	0	$0.169	$0.0		1997	333	$0.602	$200.7
1968	0	$0.169	$0.0		1998	368	$0.624	$229.5
1969	0	$0.170	$0.0		1999	305	$0.600	$182.9
1970	5	$0.170	$0.8		2000	311	$0.682	$211.9
1971	6	$0.170	$1.0		2001	325	$0.657	$213.7
1972	6	$0.170	$1.1		2002	320	$0.593	$189.6
1973	5	$0.170	$0.9		2003	307	$0.721	$221.3
1974	5	$0.170	$0.8		2004	341	$0.703	$239.7
1975	4	$0.170	$0.7		2005	361	$0.800	$289.0
1976	4	$0.170	$0.7					
1977	4	$0.170	$0.6					
1978	3	$0.200	$0.6					
1979	3	$0.300	$0.9					

Almost all CO_2 production is concentrated in two fields in Montezuma and Huerfano Counties

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Year	NorthEast	NorthWest	SouthEast	SouthWest
1980	-	2	-	1
1981	-	3	-	1
1982	-	3	-	1
1983	-	1	20	1
1984	-	1	35	49
1985	-	2	60	135
1986	-	1	84	189
1987	-	1	97	174
1988	-	1	98	179
1989	-	1	87	198
1990	-	2	71	205
1991	-	1	70	208
1992	-	2	80	213
1993	-	2	83	185
1994	-	1	85	221
1995	-	1	78	220
1996	-	1	67	259
1997	-	1	61	271
1998	-	1	51	315
1999	-	1	45	258
2000	-	1	38	272
2001	-	1	33	291
2002	-	1	27	291
2003	-	1	22	284
2004	-	1	20	320
2005	-	1	16	344

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Coal Production Quantity has grown dramatically for 10 years. Value cycles with the market price.

	Coal Production and Value					Coal Production and Value		
	Millions of Tons per Year					Millions of Tons per Year		
Calendar			VALUE		Calendar			VALUE
Year	MTPY	$/Ton	$M		Year	MTPY	$/Ton	$M
1950					1980	19.0	$19.26	$365.4
1951	4.1	$5.16	$21.2		1981	19.7	$21.06	$414.4
1952	3.6	$5.30	$19.2		1982	18.5	$22.75	$419.8
1953	3.6	$5.31	$19.0		1983	16.7	$21.88	$366.3
1954	2.9	$5.55	$16.1		1984	17.7	$21.62	$382.2
1955	3.6	$5.63	$20.1		1985	17.3	$22.83	$395.0
1956	3.5	$5.66	$19.8		1986	15.3	$18.96	$290.0
1957	3.6	$6.07	$21.8		1987	14.4	$22.06	$317.4
1958	3.0	$6.49	$19.3		1988	15.9	$19.52	$310.2
1959	3.3	$6.39	$21.0		1989	17.4	$18.93	$330.0
1960	3.6	$5.85	$21.1		1990	19.1	$20.32	$388.6
1961	3.7	$6.20	$22.8		1991	17.7	$17.19	$304.5
1962	3.4	$5.92	$20.1		1992	19.3	$17.75	$342.4
1963	3.7	$5.93	$22.0		1993	22.0	$18.79	$414.3
1964	4.4	$5.38	$23.7		1994	26.0	$18.35	$477.7
1965	4.8	$5.10	$24.4		1995	25.9	$17.06	$442.0
1966	5.2	$4.99	$26.1		1996	24.7	$19.08	$471.1
1967	5.4	$4.77	$25.9		1997	27.4	$19.41	$532.2
1968	5.6	$4.80	$26.8		1998	29.6	$18.64	$552.4
1969	5.2	$5.62	$29.1		1999	30.0	$17.81	$533.8
1970	6.0	$5.85	$35.2		2000	29.2	$17.30	$504.4
1971	5.3	$6.37	$33.8		2001	33.4	$17.29	$577.8
1972	5.5	$6.44	$35.6		2002	35.2	$18.44	$649.2
1973	6.2	$7.41	$46.2		2003	35.9	$19.59	$702.8
1974	7.0	$9.29	$64.7		2004	41.6	$18.09	$752.7
1975	8.4	$16.25	$135.9		2005	37.8	$18.14	$686.1
1976	9.5	$15.26	$144.4					
1977	12.0	$16.00	$191.5					
1978	14.4	$17.11	$245.7					
1979	18.1	$16.72	$303.1					

Coal production is Concentrated in five counties.

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	Coal Production Quantity by State Quad			
Calendar	Millions of Tons per Year			
Year	NorthEast	NorthWest	SouthEast	SouthWest
1980	0.0	15.1	1.2	2.6
1981	0.0	15.1	1.1	3.4
1982	0.1	14.1	1.0	3.2
1983	0.2	12.9	0.8	2.9
1985	0.4	13.8	0.5	2.6
1997	-	18.5	0.2	8.7
1998	-	20.1	0.2	9.3
1999	-	19.3	0.2	10.4
2000	-	17.8	0.2	11.1
2001	-	19.5	0.0	13.9
2002	-	19.2	0.2	15.9
2003	-	18.6	-	17.2
2004	-	22.9	-	18.7
2005	-	20.7	-	17.1

Underground Coal Production has become the dominant method

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Percent of State Coal Production from Underground Mines	
1980	31%
1981	34%
1982	37%
1983	34%
1984	36%
1985	38%
1986	36%
1987	40%
1988	44%
1989	51%
1990	57%
1991	54%
1992	54%
1993	59%
1994	66%
1995	67%
1996	62%
1997	65%
1998	66%
1999	68%
2000	69%
2001	71%
2002	72%
2003	76%
2004	76%
2005	79%

Metals production in Colorado has come and gone and come again

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	Other Minerals				Other Minerals	
	Production Value				Production Value	
	Metals	Other			Metals	Other
YEAR:	$M	$M		YEAR:	$M	$M
1950				1980	$997	$266
1951	$30	$150		1981	$836	$125
1952	$31	$156		1982	$305	$126
1953	$40	$172		1983	$51	$248
1954	$50	$206		1984	$219	$71
1955	$50	$236		1985	$163	-$272
1956	$65	$257		1986	$178	-$251
1957	$69	$270		1987	$165	-$177
1958	$71	$234		1988	$181	-$186
1959	$64	$251		1989	$199	-$225
1960	$74	$269		1990	$149	-$19
1961	$89	$257		1991	$130	-$92
1962	$67	$244		1992	$117	$22
1963	$87	$233		1993	$121	$74
1964	$87	$231		1994	$161	$22
1965	$93	$239		1995	$386	$105
1966	$103	$248		1996	$191	$174
1967	$94	$253		1997	$249	$116
1968	$177	$182		1998	$176	$249
1969	$173	$196		1999	$133	$338
1970	$190	$199		2000	$157	$309
1971	$177	$214		2001	$128	$287
1972	$169	$256		2002	$195	$335
1973	$160	$371		2003	$286	$292
1974	$218	$531		2004	$486	$355
1975	$246	$712		2005	$861	$143
1976	$274	$835				
1977	$412	$223				
1978	$475	$889				
1979	$728	$97				

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Of the metals, Molybdenum and Gold have generated significant tax revenue, many others contribute

	Moly Production and Value					
Calendar		VALUE		Calendar		VALUE
Year	M lb/yr	$M		Year	M lb/yr	$M
1950				1980	102.2	$911.2
1951	22.9	$22.9		1981	90.4	$780.7
1952	24.6	$24.6		1982	45.0	$265.5
1953	33.9	$33.9		1983	-	$0.0
1954	43.5	$43.5		1984	43.6	$179.8
1955	44.3	$44.3		1985	44.9	$146.1
1956	46.7	$46.7		1986	45.5	$130.6
1957	47.5	$47.5		1987	27.2	$78.8
1958	44.0	$44.0		1988	30.0	$103.2
1959	38.2	$38.2		1989	45.6	$152.4
1960	46.7	$46.7		1990	41.3	$116.0
1961	47.5	$63.6		1991	38.4	$90.2
1962	32.4	$45.4		1992	33.3	$72.6
1963	48.0	$67.2		1993	23.7	$68.7
1964	46.4	$69.2		1994	26.5	$99.9
1965	50.7	$78.6		1995	42.0	$316.3
1966	57.3	$88.9		1996	30.0	$113.7
1967	53.8	$90.0		1997	38.0	$163.8
1968	51.2	$95.0		1998	25.0	$85.5
1969	52.6	$100.0		1999	21.0	$55.4
1970	57.4	$114.7		2000	19.7	$44.4
1971	54.0	$105.4		2001	18.6	$43.9
1972	52.8	$102.9		2002	20.5	$77.3
1973	50.9	$96.7		2003	22.2	$128.8
1974	59.1	$124.0		2004	27.5	$348.1
1975	58.7	$146.6		2005	33.0	$660.0
1976	66.7	$183.4				
1977	69.1	$276.5				
1978	84.0	$377.8				
1979	91.9	$557.0				

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Property tax revenue to local governments from mineral production usually exceeds the amount collected by the state from severance and federal mineral lease

	Mineral Revenue by Source			
			Federal	
	Property	Severance	Mineral	
	Tax	Tax	Lease	Total
1990	$74	$14	$35	$123
1991	$77	$22	$46	$145
1992	$85	$15	$55	$156
1993	$76	$22	$42	$140
1994	$85	$15	$35	$134
1995	$93	$11	$37	$141
1996	$91	$15	$32	$138
1997	$84	$30	$32	$147
1998	$94	$30	$44	$167
1999	$107	$34	$41	$182
2000	$93	$32	$38	$164
2001	$82	$62	$48	$191
2002	$147	$57	$65	$269
2003	$153	$32	$42	$227
2004	$134	$116	$63	$313
2005	$227	$146	$90	$463

Most mineral based property tax is from oil and gas.

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	Property Tax Revenue				
Calendar Year	Oil and Gas	Coal	Metals	Earths	Total
1990	$59	$7	$7	$2	$74
1991	$61	$8	$6	$2	$77
1992	$72	$5	$8	$2	$85
1993	$63	$4	$7	$2	$76
1994	$73	$3	$7	$2	$85
1995	$80	$3	$8	$2	$93
1996	$78	$3	$8	$2	$91
1997	$68	$6	$8	$2	$84
1998	$77	$6	$8	$2	$94
1999	$89	$7	$9	$3	$107
2000	$75	$7	$8	$3	$93
2001	$63	$7	$9	$3	$82
2002	$130	$6	$6	$5	$147
2003	$136	$5	$7	$5	$153
2004	$116	$6	$8	$5	$134
2005	$210	$5	$8	$4	$227

Mineral based property tax revenue is received by local governments in the counties where production occurs, enhanced sometimes by higher urban mill rates

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Total Property Tax Revenue from Minerals		% Total Property
County	1995-04	Tax Rev
ADAMS	$36.6	1.4%
ALAMOSA	$0.0	0.0%
ARAPAHOE	$3.8	0.1%
ARCHULETA	$1.9	1.8%
BACA	$5.7	15.4%
BENT	$1.1	3.4%
BOULDER	$6.1	0.2%
BROOMFIELD	$1.1	0.4%
CHAFFEE	$0.1	0.1%
CHEYENNE	$24.3	54.7%
CLEAR CREEK	$38.6	28.9%
CONEJOS	$0.0	0.0%
COSTILLA	$0.8	1.9%
CROWLEY	$0.0	0.0%
CUSTER	$0.0	0.0%
DELTA	$7.5	7.4%
DENVER	$0.3	0.0%
DOLORES	$3.5	18.2%
DOUGLAS	$0.7	0.0%
EAGLE	$0.6	0.1%
ELBERT	$2.1	1.4%
EL PASO	$2.7	0.1%
FREMONT	$3.9	2.6%
GARFIELD	$95.2	23.3%
GILPIN	$0.0	0.0%
GRAND	$3.0	1.4%
GUNNISON	$20.1	11.2%
HINSDALE	$0.1	0.5%
HUERFANO	$16.4	23.9%
JACKSON	$1.6	11.8%

Total Property Tax Revenue from Minerals		% Total Property
County	1995-04	Tax Rev
JEFFERSON	$4.7	0.1%
KIOWA	$6.6	23.1%
KIT CARSON	$2.2	3.1%
LAKE	$6.8	12.1%
LA PLATA	$226.3	48.8%
LARIMER	$4.7	0.2%
LAS ANIMAS	$27.5	33.5%
LINCOLN	$1.8	3.8%
LOGAN	$4.2	3.4%
MESA	$9.7	1.5%
MINERAL	$0.0	0.0%
MOFFAT	$52.3	25.4%
MONTEZUMA	$41.7	28.1%
MONTROSE	$1.4	0.8%
MORGAN	$2.9	1.2%
OTERO	$0.0	0.1%
OURAY	$0.0	0.1%
PARK	$0.2	0.1%
PHILLIPS	$0.0	0.1%
PITKIN	$0.1	0.0%
PROWERS	$1.9	2.7%
PUEBLO	$0.8	0.1%
RIO BLANCO	$83.0	67.6%
RIO GRANDE	$0.1	0.2%
ROUTT	$16.2	5.2%
SAGUACHE	$0.0	0.0%
SAN JUAN	$0.0	0.0%
SAN MIGUEL	$4.4	2.3%
SEDGWICK	$0.0	0.1%
SUMMIT	$0.2	0.0%
TELLER	$9.4	5.7%
WASHINGTON	$13.2	24.3%
WELD	$380.8	23.6%
YUMA	$30.3	25.5%

The Eastern Slope Has the Higher Property Tax Mill Levy Rates

Slide 23

Revenue	Average Rural Mill Rate			
Year	NorthEast	NorthWest	SouthEast	SouthWest
1989	66	51	70	60
1990	73	61	74	65
1991	76	63	74	65
1992	83	60	78	68
1993	86	59	78	68
1994	86	58	78	64
1995	86	59	78	63
1996	84	58	78	60
1997	84	58	78	63
1998	81	54	71	56
1999	83	55	70	52
2000	77	51	67	50
2001	78	52	67	50
2002	70	49	65	44
2003	70	51	69	45
2004	76	52	68	49
2005	70	51	69	45

The oil and gas severance tax rate is based on value of production.
Net of deductions, the effective rate zig-zags widely around a 1% average.

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Severance Revenue			
	Effective		Effective
Fiscal Year	Tax Rate	Fiscal Year	Tax Rate
1980	1.2%		
81	1.8%	2001	1.9%
82	2.5%	02	1.7%
83	1.1%	03	0.9%
84	1.5%	04	2.2%
85	0.9%	05	2.2%
86	0.7%		
87	0.4%		
88	0.6%		
89	1.3%		
90	0.6%		
91	1.2%		
92	0.8%		
93	1.0%		
94	0.5%		
95	0.1%		
96	0.6%		
97	1.3%		
98	1.1%		
99	1.5%		
00	1.4%		

Oil and Gas have provided the majority of state severance tax revenue with some wide variations year-to-year.

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Severance Revenue from oil and gas					
Fiscal Year	Revenue $M	Production Value $M	Fiscal Year	Revenue $M	Production Value $M
1980	$8.0	$673			
1981	$16.9	$920	2001	$54.4	$2,917
1982	$33.9	$1,329	2002	$48.9	$2,832
1983	$14.7	$1,362	2003	$23.6	$2,596
1984	$18.1	$1,211	2004	$107.1	$4,791
1985	$12.6	$1,386	2005	$135.4	$6,083
1986	$11.6	$1,730			
1987	$5.0	$1,182			
1988	$7.3	$1,182			
1989	$15.2	$1,132			
1990	$8.5	$1,357			
1991	$15.6	$1,314			
1992	$10.4	$1,260			
1993	$13.5	$1,326			
1994	$6.5	$1,368			
1995	$1.6	$1,367			
1996	$7.6	$1,230			
1997	$18.7	$1,446			
1998	$19.8	$1,791			
1999	$23.2	$1,554			
2000	$24.6	$1,729			

The coal severance tax has been a steady source of state revenue.

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	Severance Revenue from coal								
Fiscal Year	$M	Production M Tons	Base Rate	Effective Rate	Fiscal Year	$M	Production M Tons	Base Rate	Effective Rate
1980	$11.1	19.0	$0.66	$0.61					
81	$10.6	19.7	$0.73	$0.56	2001	$7.2	33.4	$0.54	$0.25
82	$11.7	18.5	$0.78	$0.60	02	$7.9	35.2	$0.54	$0.24
83	$11.2	16.7	$0.80	$0.61	03	$7.9	35.9	$0.54	$0.22
84	$10.4	17.7	$0.80	$0.62	04	$8.0	41.6	$0.54	$0.22
85	$8.7	17.3	$0.82	$0.49	05	$10.2	37.8	$0.54	$0.25
86	$9.1	15.3	$0.82	$0.52					
87	$6.1	14.4	$0.80	$0.40					
88	$7.8	15.9	$0.81	$0.54					
89	$6.0	17.4	$0.67	$0.38					
90	$5.4	19.1	$0.52	$0.31					
91	$5.8	17.7	$0.53	$0.31					
92	$4.7	19.3	$0.54	$0.27					
93	$8.3	22.0	$0.54	$0.43					
94	$8.6	26.0	$0.54	$0.39					
95	$8.8	25.9	$0.54	$0.34					
96	$6.9	24.7	$0.54	$0.26					
97	$10.8	27.4	$0.54	$0.44					
98	$9.3	29.6	$0.54	$0.34					
99	$10.2	30.0	$0.54	$0.34					
00	$6.8	29.2	$0.54	$0.23					
01									

Molybdenum Severance tax is on a cent per ton basis.
The rate was cut by 2/3 in 1987.

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Severance Revenue from molybdenum							
Fiscal Year	$M	Production M Tons	Base Rate	Fiscal Year	$M	Production M Tons	Base Rate
1980	$4.042	26.057	$0.15				
81	$4.058	27.399	$0.15	2001	$0.171	6.667	$0.05
82	$3.056	26.463	$0.15	02	$0.128	5.600	$0.05
83	$0.362	9.931	$0.15	03	$0.135	6.833	$0.05
84	$0.309	-	$0.15	04	$0.105	7.400	$0.05
85	$2.427	11.625	$0.15	05	$0.247	7.438	$0.05
86	$0.963	11.864	$0.15				
87	$0.463	10.741	$0.15				
88	$0.211	5.315	$0.15				
89	$0.269	5.939	$0.05				
90	$0.522	10.116	$0.05				
91	$0.461	8.750	$0.05				
92	$0.377	8.544	$0.05				
93	$0.322	7.083	$0.05				
94	$0.223	4.507	$0.05				
95	$0.295	3.831	$0.05				
96	$0.422	4.790	$0.05				
97	$0.371	8.024	$0.05				
98	$0.381	6.997	$0.05				
99	$0.338	7.756	$0.05				
00	$0.127	6.893	$0.05				

Other Metals pay a bit of severance tax to the state.

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Severance Revenue			
from other minerals			
FY	$M	FY	$M
1980	$0.00		
81	$0.06	2001	$0.19
82	$0.00	02	$0.16
83	$0.01	03	$0.72
84	($0.00)	04	$0.62
85	$0.00	05	$0.57
86	$0.00		
87	$0.00		
88	$0.03		
89	$0.10		
90	$0.05		
91	$0.03		
92	($0.02)		
93	$0.18		
94	($0.19)		
95	$0.00		
96	$0.00		
97	$0.37		
98	$0.26		
99	$0.16		
00	$0.36		

Total severance tax revenue to the state has swung widely, due primarily to variation in the price and tax rate on oil and gas and large tax refunds.

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	Severance Revenue $M			Total		Severance Revenue $M			Total
Fiscal	by mineral type			Tax	Fiscal	by mineral type			Tax
Year	Metals	Coal	Oil&Gas	Revenue	Year	Metals	Coal	Oil&Gas	Revenue
1980	$4.0	$11.1	$8.0	$23.1					
81	$4.1	$10.6	$16.9	$31.6	2001	$0.4	$7.2	$54.4	$61.9
82	$3.1	$11.7	$33.9	$48.7	02	$0.3	$7.9	$48.9	$57.1
83	$0.4	$11.2	$14.7	$26.3	03	$0.9	$7.9	$23.6	$32.3
84	$0.3	$10.4	$18.1	$28.8	04	$0.7	$8.0	$107.1	$115.9
85	$2.4	$8.7	$12.6	$23.8	05	$0.8	$10.2	$135.4	$146.4
86	$1.0	$9.1	$11.6	$21.7					
87	$0.5	$6.1	$5.0	$11.6					
88	$0.2	$7.8	$7.3	$15.3					
89	$0.4	$6.0	$15.2	$21.6					
90	$0.6	$5.4	$8.5	$14.4					
91	$0.5	$5.8	$15.6	$21.9					
92	$0.4	$4.7	$10.4	$15.5					
93	$0.5	$8.3	$13.5	$22.3					
94	$0.0	$8.6	$6.5	$15.2					
95	$0.3	$8.8	$1.6	$10.7					
96	$0.4	$6.9	$7.6	$14.8					
97	$0.7	$10.8	$18.7	$30.3					
98	$0.6	$9.3	$19.8	$29.7					
99	$0.5	$10.2	$23.2	$33.9					
00	$0.5	$6.8	$24.6	$31.9					

Severance tax revenue to the state is divided in two halves. 50% goes to the Local Government Severance Tax Fund in the Department of Local Affairs for distribution to local governments via the Energy and Mineral Impact grant/loan program, with 15% (7.5% of total state revenues) going out as the Direct Distribution on the basis of the reported residence of severance taxpayer employees.

The other 50% goes to the Severance Tax Trust fund. 50% of this (25% of total state revenues) goes into a perpetual account for use as loans by the Colorado Water Conservation Board. The second 50% (25% of total state revenues) goes into the Operational Account for funding of the operating costs of various mineral programs in the Department of Natural Resources.

Over the years the Trust Fund half has been used to support capital construction projects, UMTRAP and to offset general fund budget shortfalls. The assignment of the Trust Fund half to Department of Natural Resources projects began in 1996.

Distribution of Annual Severance Tax Revenue $M									
	CWCB	DNR	General	DoLA		CWCB	DNR	General	DoLA
Fiscal	Perpetual	Operating	Fund	Local	Fiscal	Perpetual	Operating	Fund	Local
Year	Fund	Account		Fund	Year	Fund	Account		Fund
1980	$4.0		$13.7	$5.4					
81	$5.4		$21.1	$5.2	2001	$15.5	$15.5	$0.0	$31.0
82	$24.3		$0.0	$24.3	02	$14.3	$14.3	$0.0	$28.6
83	$0.0		$13.1	$13.1	03	$8.1	$8.1	$0.0	$16.2
84	$0.0		$14.4	$14.4	04	$29.0	$29.0	$0.0	$57.9
85	$0.0		$11.9	$11.9	05	$36.6	$36.6	$0.0	$73.2
86	$10.8		$0.0	$10.8					
87	$5.8		$0.0	$5.8					
88	$7.7		$0.0	$7.7					
89	$0.0		$10.8	$10.8					
90	$0.0		$7.2	$7.3					
91	$0.0		$10.9	$10.9					
92	$0.0		$7.7	$7.7					
93	$0.0		$11.6	$10.7					
94	$0.0		$9.4	$5.7					
95	$1.8		$4.2	$4.7					
96	$5.0	$2.5	$0.0	$7.4					
97	$8.8	$6.3	$0.0	$15.1					
98	$7.4	$7.4	$0.0	$14.9					
99	$8.5	$8.5	$0.0	$17.0					
00	$8.0	$8.0	$0.0	$16.0					

Actual expenditures from the various severance tax funds have varied with the cycles of state and local government budget needs.

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	Expenditure of Severance from Annual Tax Revenue and Fund Balance $M										
				General	DoLA					General	DoLA
Fiscal	Total	CWCB	DNR	Fund	Local	Fiscal	Total	CWCB	DNR	Fund	Local
Year		Loans	Programs	Equivalent	Projects	Year		Loans	Programs	Equivalent	Projects
1980	$16.2	$0.0		$13.7	$2.4						
81	$29.3	$0.0		$21.1	$8.2	2001	$59.7	$18.4	$4.6	$15.0	$21.6
82	$12.1	$0.0		$0.0	$12.1	02	$57.5	$1.8	$6.8	$24.2	$24.8
83	$63.7	$0.0		$49.4	$14.3	03	$44.8	$2.6	$6.4	$6.9	$28.9
84	$27.4	$0.0		$14.4	$13.0	04	$42.3	$4.8	$7.8	$4.6	$25.1
85	$27.5	$0.0		$11.9	$15.6	05	$94.6	$5.6	$6.2	$38.6	$44.1
86	$12.8	$0.0		$0.0	$12.8						
87	$8.5	$0.0		$0.0	$8.5						
88	$4.8	$0.0		$0.0	$4.8						
89	$18.4	$0.0		$10.8	$7.6						
90	$17.6	$0.0		$7.2	$10.4						
91	$35.0	$0.0		$27.2	$7.8						
92	$21.5	$0.0		$7.7	$13.8						
93	$23.6	$0.0		$11.6	$12.0						
94	$13.5	$0.0		$9.4	$4.1						
95	$10.7	$0.0		$5.0	$5.7						
96	$10.4	$0.0		$2.5	$7.9						
97	$12.6	$0.0	$3.0	$2.5	$7.1						
98	$10.9	$0.0	$2.0	$0.0	$8.9						
99	$22.9	$8.0	$3.0	$0.0	$11.9						
00	$23.6	$0.0	$4.0	$0.0	$19.6						

Federal mineral lease revenues to the state have been relatively steady.

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Federal Mineral Lease Revenue to the State				Total	Calc		
Calendar		Oil &	Bonus &	State	State		Federal
Year	Coal	Gas	Other	Receipts	Rcpts	Settlement	Deductions
82	17%	83%	1%	$42.8	$34.4	$0.0	$0.0
83	18%	84%	-2%	$43.7	$36.4	($2.6)	$0.0
84	18%	81%	1%	$51.6	$41.4	($2.7)	$0.0
85	14%	73%	12%	$45.4	$52.1	($3.2)	$0.0
86	23%	60%	17%	$41.3	$44.8	($4.2)	$0.0
87	20%	67%	13%	$34.3	$36.3	($4.5)	$0.0
88	18%	68%	14%	$30.3	$32.8	($2.8)	$0.0
89	20%	70%	11%	$34.6	$41.0	($3.2)	$0.0
90	23%	53%	24%	$45.7	$51.9	$13.6	$0.0
91	29%	50%	21%	$54.7	$51.5	$11.6	($4.1)
92	25%	56%	19%	$42.0	$42.7	$9.6	($3.6)
93	32%	59%	9%	$34.5	$38.1	($1.0)	($3.0)
94	49%	45%	6%	$37.1	$37.8	($6.5)	($2.8)
95	33%	50%	17%	$31.8	$37.5	($2.6)	($2.5)
96	36%	54%	10%	$32.4	$38.8	($3.6)	($2.7)
97	41%	66%	-7%	$44.0	$40.8	($9.2)	($2.2)
98	38%	44%	18%	$41.2	$45.3	$0.0	($2.0)
99	45%	41%	14%	$38.5	$40.9	$0.0	($2.5)
00	33%	49%	18%	$47.6	$50.6	$0.0	($3.3)
2001	28%	55%	18%	$64.6	$64.6	$0.0	($2.0)
02	41%	62%	-3%	$41.6	$39.7	($7.4)	($1.7)
03	18%	60%	23%	$63.1	$62.5	$0.0	($3.3)
04	23%	65%	12%	$89.9	$89.4	$0.0	($10.4)

Federal mineral lease revenues to the state come from federal lands, which are predominately in the western half of the state.

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Percent of Federal Mineral Lease Revenue by Quad				
	NorthWest	NorthEast	SouthEast	SouthWest
Calendar				
Year				
83	85%	2%	2%	11%
84	79%	2%	4%	16%
85	70%	2%	5%	24%
86	72%	1%	5%	23%
87	71%	1%	5%	23%
88	67%	1%	7%	25%
89	71%	2%	6%	21%
90	78%	1%	3%	19%
91	82%	1%	2%	16%
92	71%	1%	2%	26%
93	72%	1%	2%	25%
94	78%	1%	-1%	22%
95	65%	1%	1%	33%
96	79%	1%	1%	19%
97	72%	1%	1%	26%
98	69%	1%	1%	29%
99	70%	1%	0%	29%
00	74%	1%	1%	24%
2001	67%	1%	1%	30%
02	66%	1%	1%	32%
03	65%	1%	2%	32%
04	64%	1%	1%	33%

Federal mineral lease revenues to the state are distributed in a complex "cascade" formula set in state statute.

The majority of federal mineral lease revenues to the state is distributed to the state school fund.

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		Federal Mineral Lease Distribution in Colorado				
	Total	State	State		Direct to	Grants to
Calendar	State	School	Water	UMTRAP	Local	Local
Year	Receipts	Fund	Board		Govs	Govs
83	$43.7	$23.7	$4.4		$7.0	$8.4
84	$51.6	$27.1	$5.2	$0.7	$8.6	$10.0
85	$45.4	$23.9	$4.5	$1.8	$8.3	$6.9
86	$41.3	$22.4	$4.1	$2.0	$7.1	$5.7
87	$34.3	$19.5	$3.4		$5.6	$5.8
88	$30.3	$17.8	$3.0		$4.8	$4.7
89	$34.6	$19.6	$3.5	$2.0	$5.8	$3.8
90	$45.7	$24.8	$4.6		$6.9	$9.3
91	$54.7	$29.4	$5.5	$3.0	$7.4	$9.4
92	$42.0	$23.1	$4.2	$5.5	$6.6	$2.6
93	$34.5	$19.7	$3.5		$5.4	$5.9
94	$37.1	$20.9	$3.7		$5.7	$6.7
95	$31.8	$18.2	$3.2		$5.5	$4.9
96	$32.4	$18.8	$3.2		$5.0	$5.3
97	$44.0	$23.2	$4.4		$8.6	$7.7
98	$41.2	$21.9	$4.1		$8.3	$6.8
99	$38.5	$20.9	$3.8		$7.6	$6.2
00	$47.6	$24.7	$4.8		$9.4	$8.7
2001	$64.6	$31.9	$6.5		$12.8	$13.5
02	$41.6	$22.2	$4.2		$8.1	$7.1
03	$63.1	$31.2	$6.3		$12.6	$13.0
04	$89.9	$44.1	$9.0		$15.1	$21.7

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Federal Mineral Lease revenues are collected by the federal Minerals Management Service in the U.S. Department of Interior. These revenues come from the leases of federal lands for mineral production. Roughly 50% of the revenues collected on federal leases in Colorado are transferred by the U.S. Government to the Colorado State Treasurer. From the State Treasurer, the distribution of these funds is conducted under state legislative statute C.R.S.34-63. This statute operates on a cascade formula basis to distribute funds to the state agencies counties, cities, and school districts through a number of different programs. The formula operated as follows:

<u>First Cut</u>: Every quarter the State Treasurer totals up the receipts from the federal government, including interest earnings, which have been identified by county of origin. 25 percent of these receipts are transferred to the State School Fund in the state's Department of Education, 10 percent to the Colorado Water Conservation Board in the state's Department of Natural Resources, and 25% to the Local Government Mineral Lease Fund in the state's Department of Local Affairs. The remaining 50% is then calculated for each county and an amount up to $200,000 is prepared for distribution.

<u>Spillover</u>: Any amounts over $200,000 in each county is pooled in a "spillover" calculation which is distributed to the State School Fund until the total in this "spillover" calculation reached $10.7 million.

<u>Second Cut</u>: Once the $10.7 million spillover requirement is fulfilled, any funds left in those counties which had reached the $200,000 threshold on their distributions in the first cut are set aside for the county up to a second threshold of $1.2 million. This county allocation is then divided up into three portions: one for the school districts in the county, one for towns in the county and the remainder for the county government. The percent distributed to school districts is set by statute at a minimum of 25% and can be increased by the county commissioners out of the portion that would have otherwise gone to them. Similarly, the portion to towns is set as at least 37.5% of the amount of the county allocation above $250,000. Again, this percent can be increased by the county commissioners out of the share that would have otherwise gone to them. The resulting payments to school districts are then split among school districts in a county on the basis of reported enrollment. The resulting payments to towns within a county are distributed proportional to population within towns.

<u>Overflow</u>: After the county allocations in the Second Cut have been fulfilled, there can remain funds above $1.2 million in some counties, which funds are allocated to the "Overflow". The Overflow is split evenly between the State School Fund and the local government grant fund in the Department of Local Affairs.

<u>Direct Distribution</u>: Finally, statute instructs that 25% of the Overflow distributed to the Department of Local Affairs shall be distributed to the towns and counties on the basis of the severance taxpayer employee residence reports.

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The cascade method of distribution of federal royalties distributes both directly to local governments and indirectly to local governments through state distribution funds.

Calendar Year	2001	2002	2003	2004	2005	
Total Colorado Receipts	$64,584,338	$41,568,853	$63,071,667	$89,860,209	$114,791,688	
from Oil and Gas	$29,046,563	$15,074,411	$29,805,841	$46,106,713	$68,203,036	
from Coal	$17,770,850	$16,459,014	$11,038,680	$20,642,753	$18,222,512	
from Other Production	$6,195,797	$2,743,600	$7,772,371	$8,178,139	$10,463,931	
from non Production Rents and Bonus	$11,570,557	$7,520,819	$14,224,297	$14,932,553	$17,902,294	
Distribution of Colorado Receipts	$64,584,338	$41,568,853	$63,071,667	$89,860,209	$114,791,688	
Counties	$5,619,189	$4,049,796	$5,450,615	$6,179,861	$7,628,318	
School Districts	$3,095,017	$2,103,826	$3,044,457	$3,391,473	$3,724,617	
Towns	$4,071,432	$2,195,152	$3,886,012	$5,438,553	$6,470,035	
CWCB	$6,458,434	$4,156,885	$6,307,167	$8,986,021	$11,479,169	
State School Fund	$31,878,061	$22,214,867	$31,167,501	$44,085,957	$55,896,755	
DoLA Grant Program	$13,461,633	$7,077,318	$12,985,438	$21,669,710	$29,592,878	
Distribution of Colorado Receipts	**2001**	**2002**	**2003**	**2004**	**2005**	**average**
Counties	8.7%	9.7%	8.6%	6.9%	6.6%	9.0%
School Districts	4.8%	5.1%	4.8%	3.8%	3.2%	4.9%
Towns	6.3%	5.3%	6.2%	6.1%	5.6%	5.9%
CWCB	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
State School Fund	49.4%	53.4%	49.4%	49.1%	48.7%	50.7%
DOLA Grants	20.8%	17.0%	20.6%	24.1%	25.8%	19.5%